

Business English: An Internet Investing Project

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INTRODUCTION

Many Business English texts are designed for students already working in a business setting. However, university students without business experience may find it difficult to relate to such texts. Investing is a topic that is often included in texts but is difficult for students to discuss since they have no experience with it. Internet investing, in particular, has become a popular topic on the business scene. In order for students to be able to talk about investing, they need to experience it for themselves. In an effort to meet student needs, I created a project that would give students an opportunity to learn about investing by experiencing an online trading game.

This article will explain and discuss a project undertaken with students in a Business Issues class at Asia University. A description of the project: in-class preparation lessons, homework assignments and student presentations, as well as the outcome of the project, based on students' evaluations of the activity and teacher observations are detailed.

Business Issues is a one-semester communication-based course that focuses on discussing current business related topics. The class met once a week for 90 minutes for 12 weeks. The students were third- and fourth-year students majoring in Business, and their English level ranged from low-intermediate to high-intermediate. The project constituted a portion of the course syllabus. Certain class periods were devoted entirely to the project and others were divided between the project and other course materials.

Students possessed limited knowledge of the stock market and investing, but they demonstrated a high level of interest in the topic. Making students expert investors was not one of the project's goals. The students learned about the topic by experiencing it. The project itself provided the context for in-class discussions, which are the focus of the course.

THE PROJECT

The project focus was to have the students study investing language and concepts and then apply this knowledge by playing the E*TRADE ® online stock market trading simulation. E*TRADE ® is an online investment site for independent investors. The web site includes a game where potential investors can experience simulated buying and selling of stocks. Players open an account within the game and E*TRADE ® deposits \$100,000 of play money into that account. The game begins and ends each calendar month.

The project was piloted during the first term of the academic year. Changes were made to the project after the first term to make the project goals more suitable to the goals of the course. The nine-week project that is outlined below represents the recommended project format based on my observations from the two terms.

Week One

The goal of the first week was to stimulate student interest in the stock market and investing. Students were divided into groups of four or five and given a list of questions concerning investing to think about and discuss (Appendix A). After students discussed

the questions in English in groups, the teacher asked for students to share some of their ideas with the class. Students were then given an article about independent investors who use the internet and the E*TRADE ® site to do online trading. The article was used to introduce investment-related vocabulary. As the article was an authentic text and challenging for some of the students, a glossary of terms was provided, as well as comprehension questions. The students completed the comprehension questions in groups and then the questions were discussed with the whole class. Another purpose for using this particular article was to create interest in the E*TRADE ® game. If the students realized that investing is not just for individuals with a high income level, and therefore applicable to them, then the activity would have more meaning to them.

For homework, students were given more investment related vocabulary and a list of comprehension questions concerning those vocabulary words.

Week Two

The goal of the second week was to continue building their interest in the topic and introduce more investing terms. Class began with a discussion of the homework comprehension questions to make sure that the students had a clear understanding of the terms and ideas previously introduced. In groups, the students looked at profiles of four well-known investors and discussed the qualities of a successful investor (Evans, 1998). They completed a variety of vocabulary exercises and played a business game (Lloyd and Preier, 1996) concerning the vocabulary of trends.

Week Three

The goal for week three was to introduce the students to the E*TRADE ® web site and familiarize them with the key features of the game that they would be using. The third week, therefore, was held in a computer lab.

At the beginning of class, students were assigned to groups and seated at adjacent computers. (To save time, the instructor set up accounts for the groups before the class.) The groups were then given their group account names and passwords. The students were instructed to log onto the E*TRADE ® web site. Next, the instructor demonstrated how to buy and sell stock, the two game activities that students were required to perform for the project. This took approximately 30 minutes. The students were then given the next 30 minutes to practice buying and selling stock, to explore the web site and to ask questions.

Next, the students were given a detailed outline of the project requirements (Appendix B). Their task for the remaining 30 minutes of class was to determine a strategy for spending their investment money and decide how they would equally divide the project tasks among the members of the group. They discussed what kinds of companies or industries they were interested in investing in. By the end of class each student chose three companies that they would research for homework.

Working in groups facilitated a communicative approach to the project. Students were required to make joint decisions about transactions. They were not allowed to divide the \$100,000 play money to make individual purchasing and selling decisions. Students therefore had to discuss their ideas and negotiate decisions. Each week students reported to their group members about any transactions they performed on the E*TRADE ® web

site or any new research they had done. The detailed schedule that the students received made them more accountable to each other and to the instructor.

The students' homework was to conduct research on three companies. This research entailed going to the E*TRADE ® web site, finding background information about the companies, and looking at graphs to see how their stock had been performing over the past year.

Week Four

The goal for week four was for students to share the information they had gathered about the companies they had researched and to decide how they would spend their money. Students were given approximately 30 to 40 minutes of class time to work with their group. The instructor spent time with each group listening to their investing strategy, offering suggestions and answering questions.

The students' homework was to spend any remaining funds and to print out a copy of their purchases to hand in to the instructor the following week.

Week Five

The goal for week five was for students to evaluate how the stocks they purchased had been performing over the past couple of weeks and choose at least three stocks that they would sell during the next week. Each student in the group recommended one stock to sell and offered reasons for their decision. Again, approximately 30 to 40 minutes of class time were allotted for this discussion.

For homework, groups were required to conduct their sales and make a new printout showing all of the transactions, purchases and sales that they had made so far.

Week Six

The goal for week six was for students to discuss the current state of their stock portfolio. If, for example, one of their stocks had dropped significantly, they discussed whether or not they should hold on to it or sell it. Students also handed in to the instructor a new printout showing all of the buying and selling transactions that they had made. The same amount of discussion time was allotted.

The homework assignment was to complete any sales or purchases that the group had decided on.

Week Seven

The goal for this week was for students to make final decisions about buying or selling stocks as the game would be ending that week. Most of the groups were content with the current state of their portfolios so not much discussion time was needed.

The homework assignment was to print out a final copy of their portfolio, a synopsis of all of their transactions to hand in to the instructor the following week.

Week Eight

The goal for this week was for students to organize a three- to five-minute group presentation that they would give the following week in class. For the presentations, groups were required to report on several things: (1) how they made their investment

decisions, (2) how their stocks performed during the month, (3) any significant ups or downs with their stocks, (4) the final dollar amount in their account, and (5) something they had learned from playing the game. Students were given about 30 minutes of class time to prepare. Groups that did not have enough time to finish preparing in class completed the assignment for homework.

Week Nine

The goal for the final week of the project was to have students present their game results and share any thoughts or comments that they had about the project. After the presentations, students were given a questionnaire to fill out concerning the game (Appendix C).

OBSERVATIONS

When the project was piloted the first term, the students worked individually. There were some problems that arose from conducting the project in this way. The main problem was that it did not provide the students with enough opportunity to communicate with fellow classmates. The students were supposed to discuss their game activities at the beginning of each class. They were given a list of tasks to accomplish for the project but many students did not adhere to a consistent schedule in playing the game. Thus, during the discussion sessions at the beginning of each class, some of the students remained silent because they had not completed their assigned tasks and therefore had nothing to report.

During the second term, by having the students work in groups, the project became a more communicative activity. Students had to make decisions together, report on research findings, and discuss ideas and strategies. In addition, the students were given a detailed weekly schedule which outlined exactly what they needed to accomplish each week. This schedule kept them on task each week and made them accountable to the members of their group.

During the first term, students whose English ability was at the low-intermediate level found the E*TRADE ® site confusing and difficult to navigate. This was especially challenging for them since they were working alone. Some of these students did not complete all of the requirements for the project because of these difficulties.

Some of the students from the first term chose to take the course again during the second term. These students reported that they found the game easier to play in the second term because they were working in groups and could ask each other for help. These students stated that they felt more confident playing the game in groups than individually.

RECOMMENDATIONS

There are some general points that a teacher should keep in mind when conducting this project. A teacher need not be an investment expert in order to facilitate the project. A basic understanding of common investment terms is, however, necessary. It is advisable that a teacher play the E*TRADE ® game prior to conducting the project in order to have a complete understanding of the game and be able to answer the students' questions.

The English level of the students also needs to be taken into consideration. Understanding the E*TRADE ® web site, discussing the tasks with other students and making a presentation proved very challenging for students whose English ability was at the low-intermediate level. Students whose English ability is at the high-intermediate level or higher would probably be most comfortable with this project. In a mixed-level class it is therefore advisable to group low-level students with students of higher ability.

The E*TRADE ® game has a wide range of transactions that can be performed. As conducted in both the first and second term, students were only required to buy and sell stock. Unless all of the students in the class are very advanced speakers and are familiar with investing, it is advisable to limit the type of transactions that students are required to perform. Students can become comfortable with those tasks and be able to talk about them.

CONCLUSION

This project proved to be a positive learning experience. The students studied a current business topic by experiencing it in a real-world simulation. By experiencing it for themselves they were able to relate to the topic and could successfully discuss their experience with their classmates.

References

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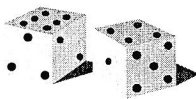
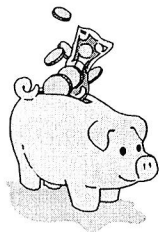
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Web addresses

www.etrade.com

www.fool.com

<http://investor.msn.com>



Money and Investing

1. Think about people you know who are good at saving money, for example, your parents, grandparents. What do they do with the money they save? For example, do they put it in a savings account or do they invest it?

2. What are some different ways that a person can invest? Think of 3 examples.

3. If you had a lot of money and you wanted to save it or make the sum grow, what would you do with it? Look at the following examples. What are the advantages and disadvantages of each?

- putting it under the mattress
- buying a lottery ticket
- taking the money to Las Vegas
- buying a Van Gogh painting
- putting it in a bank
- investing in property or real estate
- buying stocks

4. Do you think it is a good idea to invest money? Why or why not?

Appendix B

Internet Investing Game Schedule

Web site address:

www.etrade.com

Wednesday, October 25th

In class:

- Decide who will be in your group. (3-4 people)
- Each group will receive a “user name” and “password” to each. *Write it down!*
- With your group members come up with a strategy for spending your investment money. Think about these questions: Which companies do you want to invest in? Is there a particular industry you want to target? For example, high tech companies, or do you want your *portfolio* to be more *diversified*, with investments in companies from a variety of industries?
- Before you begin spending your money, do some research. Each person in the group should choose 3 companies that they are interested in and do some research on them. You can do this on line, for example. The E*trade web site has information available on companies.
 - How has the company’s stock been performing over the last few months? Over the last year? Look at the 52-week high and the 52-week low.
 - Is the company growing?
 - Are they having any financial troubles?
- Decide how you will share the work in your group. Everyone should contribute the same amount of work.
- You should have a **minimum** of 10 different investments. (The more investments you have, the more interesting it will be to see how they perform during the month.)
- Begin looking at the business section of the newspaper each day. This will give you ideas about companies to investigate.

Outside of class:

- Begin doing your company research.

Wednesday, November 1st (School Holiday)

Outside of class:

- The game begins today.
- If your group has come up with a good action plan, then you may start making some investments this week, but you should do some of it after you have done your company research and reported to the group about your findings.
- Continue doing your company research.

Wednesday, November 8th

In class:

- Meet with your group and discuss the companies you have researched.
 - What did you find out?
 - Do you think it is a good idea to invest in them? Why or why not?
 - Decide how you will invest the rest of your money.

Outside of class:

- Spend any of your remaining \$100,000 of play money.
- Before class next week, print out a copy of your portfolio to hand in. It should show all of the purchases you have made and the dates on which you bought them.

Wednesday, November 15th

In class:

- Hand in the first copy of your portfolio.
- Meet with your group and discuss how your stocks have been performing over the last week.
 - Which stocks have dropped or gained?
 - Start thinking about which stocks you might want to sell.
- During the next week you should choose at least **3** stocks to sell. Each person in the group should make a recommendation about one stock to sell.
 - Be able to tell your group why you are recommending selling this stock. What influenced your decision? Do they agree with you?
- Sell your stocks before the next class.
- After making your sales, make sure you make additional purchases so that you keep to the \$100,000 total.

Wednesday, November 22nd

In class:

- Hand in a new copy of your portfolio showing a list of all of your transactions.
- Meet with your group and discuss what has been happening with your stocks over the last week. Are there any stocks that you want to sell? Are there any new purchased that you want to make?

Outside of class:

- Complete any sales or purchases that your group has decided on.

Wednesday, November 29th

In class:

- In your groups, discuss if you want to make any last purchases or sales before the end of the game.

Outside of class:

- Complete any last sales or purchases.

November 30th

Outside of class:

- Today is the last day of the game. Make sure you print out a final copy of your portfolio today or it will be lost forever!

December 6th

In class:

- Bring in a copy of your portfolio to hand in.
 - Your group will plan the presentation that you will make to the class next week. The presentation should be about 4-5 minutes long. Your presentation should include:
 - How you made your investment decisions
 - How your stocks performed during the month
 - If there were any significant ups or downs with any of your stock
 - What your final results were (your end total)
 - Something you enjoyed (or didn't enjoy!) about playing the game

Wednesday, December 13th

- Group presentations.

Important points to remember:

- You should make **group decisions** about the transactions you make. You may not divide the play money equally between the group members. You are required to decide together how you want to spend it.
- You have been given specific "buy" and "sell" dates so that you stay on track and complete the tasks required for this project. However, if you see that a stock is performing badly and you want to sell it, you may do so at any time.

Recommended web sites:

These web sites may be helpful to you when doing your company research.

www.investor.msn.com

www.fool.com

Appendix C

Internet Investment Game-Student Questionnaire

Please answer the following questions about your participation in the internet investing project that we did this term. Your thoughts are important to me and will help me to make improvements on the activity.

- How often did you go to the E*TRADE® web site during the month that you played the game? For example, every day, 2 times a week, once a week, etc.?
- Did you meet with your group outside of class? How often and for how long? (For example, once a week for 20 minutes)
- How did you divide the work among the members in your group?
- How did you do the company research that I required? Did you use the information available on the E*TRADE® web site? Did you go to one of the other financial web sites I recommended? Did you mostly look at information in English or Japanese?
- Did I give you enough class time to discuss and make decisions with your group mates? If not, how much time would have been helpful to you each week?
- Were the preparation lessons we had before starting the game helpful to you? (Circle one)

very helpful somewhat helpful a little helpful not very helpful
- What other information or class activities would have helped you understand the game/project better?
- Did you like playing in a group? Why or why not?
- Did you enjoy playing the game? (Circle a number. 5=very much, 1= very little)

5 4 3 2 1